Areas of Coverage

- **Procedural compliance**
  - ✓ Assessment of GST registration obtained by the Company for its appropriateness;
  - ✓ Verify key procedural compliances w.r.t payment of tax and filing of GST returns.
  - ✓ Verify appropriateness of reporting in returns; and
  - ✓ Verify completeness of invoice formats, records maintained and level of compliance with respect to other documentation.
- **Transitional**
  - ✓ Verifying the compliance with Transitional provisions
  - ✓ Assessing if all the eligible transitional credits are availed
  - ✓ Verification of accounting and documents for the transitional credits availed, if any.
- **Outward supplies**
  - ✓ Ascertaining and Validating the classifications the different sources of Incomes
  - ✓ Verifying the taxability of the different supplies made and Validating the rate of taxes charged
  - ✓ Verification of Time of Supply and place of supply considered for each type of supplies
  - ✓ Verification of the exemptions / benefits available, if any.
- **Input tax credit**
  - ✓ Examine and assess Input Tax Credit balance under various heads
  - ✓ Verify on sample basis as to whether input tax credit of any ineligible items as provided under Section 17(5) of the CGST Act2017/SGST Act2017 has been availed
  - ✓ Sample verification of key customer contracts and verify appropriateness of levy and other clauses, which is having GST implications.
  - ✓ Verify treatment given when capital goods on which credit is availed are removed/ relocated/ disposed off;
  - ✓ Verify input tax credit invoices as to whether the same are in line with the disclosure requirement under GST Rules (Invoicing Rules)
  - ✓ Verify major mismatch entries (i.e. between GSTR-2 and Books) and identify key issues / reasons for the same and suggest possible course of action.
  - ✓ Verification of transition credit availed by the Company in Form GSTR Tran-01 and the eligibility to claim such credit

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Laxminiwas & Co
chartered accountants

M C Modi Educational Trust

Professional Service Proposal

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Our understanding of the Facts of the case

- ✓ M C Modi Educational Trust (hereinafter referred to as "Trust") was settled by way of executing a trust deed dated 16.11.1955 by late Shri Manilal Chaganlal Modi for the purpose of advancing the cause of Education.
- ✓ The Trust obtained registration u/s 12A of the Income Tax Act, 1961 (hereinafter referred to as the "Act") vide letter no. V/19/67-68 dated 01.06.1968.
- ✓ Over the years, the Trust has been filing income tax returns, claiming exemption u/s 11 and the same has been granted by the Income Tax department which is evident from the intimations issued u/s 143(1) and orders passed u/s 143(3).
- ✓ Due to considerable lapse of time (more than 50 years from the date of obtaining registration) and change in the trustees due to demise of the founder trustees and second generation trustees, various documents relating to the trust (including 12A registration letter) have been misplaced and not traceable.

Our understanding of the Facts of the case

- ✓ Since the original documents were not traceable, the Trustees executed a supplementary trust deed dated 01.04.2016. Trust also applied for obtaining registration u/s 12A. Application was made twice and both the times, it was rejected by the Commissioner of Income Tax (Exemptions) [CIT(E)]. Against the second rejection order and appeal was preferred before the Income Tax Appellate Tribunal (ITAT) and the ITAT vide its order dated 07.04.2021 set aside the order of CIT(E) with a direction decide a fresh in the light of information and documents to be produced by the Trust on or before 31.08.2021.
- ✓ In the meantime, assessment orders were passed for AY 2016-17, 2017-18 and AY 2018-19, wherein the exemption u/s 11 was denied on the basis that the Trust could not furnish the evidence of holding a registration u/s 12A of the Act. Appeals have been filed against the said assessment orders.
- ✓ Further assessments for AY 2013-14, AY 2014-15 & AY 2015-16 have been re-opened and notice u/s 148 have been issued.

Course of action
and
Professional
Services

Course of Action to be taken and Services proposed to be rendered are

I. Proceedings in relation to the 12A registration- set-aside order by ITAT to CIT(E)

- ✓ Preparing and filing of submissions explaining the facts of the case and substantiating the eligibility for registration u/s 12A of the Act.
- ✓ Appearing and representing the case before CIT(E) and before the Officer in the office of CIT(E) if so directed by the CIT(E).
- ✓ Making further submissions in response to the notice/s issued from time to time during the proceedings.
- ✓ Suggesting further course of action upon receipt of order of the CIT(E).

Course of Action to be taken and Services proposed to be rendered are

Course of action and Professional Services

II. Appeals proceedings pending before CIT(A) for AY 2016-17, 2017-18 and 2018-19

- **Preparing and filing of submissions explaining the facts of the case, countering the observations made by Assessing Officer in denying of exemption and substantiating the eligibility for claim of exemption u/s 11 of the Act.**
- **Appearing (virtually) and representing the case before CIT(A) if the circumstances so warrant. (Grant of Virtual hearing is subject to the discretion of Chief Commissioner of Income Tax (CCIT) which is based on complexity of issue involved in the case.**
- **Suggesting further course of action upon receipt of order of the CIT(A).**

Course of action
and
Professional
Services

Course of Action to be taken and Services proposed to be rendered are

III. Assessment proceedings re-opened cases for AY 2013-14, 2014-15 and 2015-16

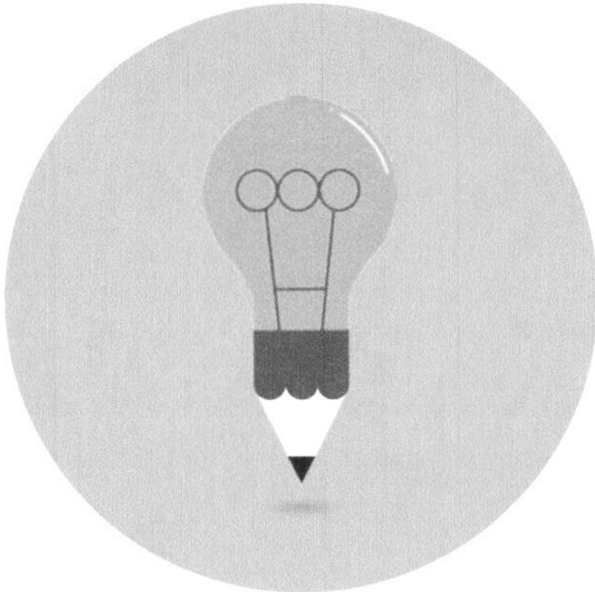
- ✓ **Preparing and filing of submissions in response to the notices issued from time to time during the course of proceedings.**
- ✓ **Appearing and representing the before the Officer if allowed and required.**
- ✓ **Suggesting further course of action upon receipt of the assessment order.**
- ✓ **Preparing and filing of 1 application for seeking stay of demand incase any demand is raised and response to initial penalty notice issued if any.**

Professional fees

For the above mentioned services, we propose to charge professional fees as per the timelines mentioned below

Proceedings	Amount in Rs
Proceedings before CIT(E)- set aside order of ITAT to the CIT(E)	Rs. 1,50,000/-*
Proceedings pending before CIT(A) for AY 2016-17, 2017-18 and 2018-19	Rs. 2,00,000 /-*
Re-assessment Proceedings for AY 2013-14, 2014-15 and 2015-16	Rs. 1,50,000 /-*

***GST on the professional fees and out of pocket expenses, if any, shall be charged separately**
Fees will be charged in 2 equal parts, 1st on initiation of proceedings (i.e. filing of first submission) and balance after completion of proceedings (i.e. upon receipt of order)

THANK  YOU

We look forward to receive your confirmation and will be delighted to be associated with your organization.

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